

OCPF Online

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Office of Campaign and Political Finance
One Ashburton Place, Room 411
Boston, MA 02108

Advisory Opinion

May 15, 2002 AO-02-21

Thomas M. Donovan 10 Chestnut Street Peabody, Massachusetts 01960

Dear Mr. Donovan:

This letter is in response to your April 8, 2002 request for an advisory opinion regarding the use of a municipal golf course for fundraising activities. You have presented a number of questions relating to the organization of a golf tournament and have asked how the Blodgett Committee (the Committee) should properly allocate and report the expenditures and contributions arising from the event.

You have stated that the Committee would like to organize a golf tournament fundraiser to be held at The Meadows at Peabody (The Meadows), a municipal golf course owned and operated by the City of Peabody. A tent would be set up in the parking lot at a distance from the clubhouse and no campaign activities would be held in the clubhouse.

The entrance fee for the tournament would be \$150.00. This fee would include the course fee charged by the golf course of \$65.00 per golfer. The \$65.00 fee includes the greens fees, a golf cart rental and a \$10.00 gift certificate to The Meadows Pro Shop. As with other groups holding fundraising tournaments, The Meadows will provide all of the \$10.00 gift certificates to the Committee, which intends to distribute the certificates to participants as prizes at the conclusion of the tournament.

The Committee would offer non-corporate entities the opportunity to purchase signs for \$100.00 to "sponsor" a hole during the tournament. The Committee would have signs made, at an approximate cost of \$10.00 per sign, and would place the signs identifying sponsors on the tees and greens of the course on the day of the tournament.

In addition, the Committee is considering the possibility of a local car dealer displaying a new car at one of the par-3 holes. In the event a participant makes a hole-in-one, the participant would

receive the vehicle. The Committee would purchase an insurance policy to cover the cost of the vehicle in the event of a hole-in-one.

Immediately following the golf tournament the Committee will offer refreshments at the Italian American Club, which is a private facility in Peabody. The gift certificates to The Meadows Pro Shop would be awarded at the Italian American Club.

QUESTIONS

Question #1: May the Committee place a tent on the grounds of the golf course, in lieu of using the clubhouse, for a political fundraising event?

Answer: Yes. A fundraising event that takes place on the grounds of a municipal golf course but does not involve the use of the clubhouse for political fundraising activity would comply with Section 14 of the campaign finance law.

M.G.L. c.55, §14 states, in pertinent part:

"No person shall in any building or part thereof occupied for state, county or municipal purposes demand, solicit or receive any payment or gift of money or other thing of value for the purposes set forth in section thirteen."

Section 14 concerns any "building" or "part thereof" which is occupied for state, county or municipal purposes. This office has previously stated that Section 14 applies to government buildings, such as the State House or a town hall (AO-91-19); to individual rooms or any other part of a building occupied for state, county or municipal purposes, such as office space leased by a state agency in an otherwise privately owned building (AO-91-19); and to any other interior or exterior space which is an immediate and intrinsic part of a state, county or municipal building or part thereof, such as a hallway in front of a government office or the steps going into a government building (AO-88-10)².

The grounds of the municipal golf course, however, are not an immediate and intrinsic part of the clubhouse. Therefore, the prohibitions against political solicitation set forth in M.G.L. c.55, §14 are not applicable to the grounds of The Meadows golf course. A fundraising event may therefore be held on the grounds of the golf course if the clubhouse building is not used for any fundraising activity.³ In addition, a tent erected on the grounds for use in a fundraising event is not a "building or part thereof". See AO-01-13 (a copy is enclosed).

Question #2: May the gift certificates, which The Meadows provides to golfers who pay the course entry fee in the ordinary course of its business, be given out as prizes to certain tournament participants?

Answer: No. The Committee should give the gift certificates directly to the golfers.

¹ Section 13 refers to such purposes as "the political campaign purposes of any candidate for public office or of any political committee, or for any political purpose whatever...."

² Section 14 applies to the clubhouse of a municipally owned golf course if it is staffed by municipal employees, as opposed to employees of a private contractor operating the municipal facility.

³ The prohibition on the use of the clubhouse for fundraising activities should not be construed to mean that persons attending the event could not use the clubhouse at all. For example, participants in the fundraising event could use the locker room or rest room facilities, as would any other member of the general public.

In <u>Anderson v. City of Boston</u>, 376 Mass. 178 (1978), appeal dismissed, 439 U.S. 1069 (1979), the Supreme Judicial Court concluded that the campaign finance law prohibits the use of any public resources for any political purpose whatsoever.

It is the usual and customary practice of The Meadows to provide gift certificates to golfers who pay the course fee. In regard to event planning, The Meadows may provide the gift certificates in bulk to a group holding an event at the golf course; however, it is still the participants, not the group, who are entitled to receive the gift certificates.

Therefore, the Committee should distribute the gift certificates to the participants in the golf tournament. If the Committee were to retain the gift certificates for its own use, i.e., to distribute as prizes at the tournament, such use would constitute a receipt of public resources used for a political purpose, which would not be consistent with the campaign finance law as interpreted in <u>Anderson</u>.

Question #3: May non-corporate entities sponsor holes?

Answer: Yes. Sponsors would be making contributions to the campaign. Therefore, non-corporate entities may sponsor a hole if the contributions are consistent with the campaign finance law, e.g., if the sponsor is a partnership the contribution must be attributable to individual partners. <u>See</u> 970 CMR §1.04(3).

Question #4: May the Committee contract with a local car dealer to provide a new car as a "hole-in-one" prize for the golf tournament and purchase an insurance policy to cover the cost of the car in the event of a hole-in-one?

Answer: Yes, if neither business gives anything of value to the Committee outside of the normal course of business.

To the extent the car dealer and insurance company are business corporations, your question may be answered by reviewing the language of sections 8 and 1 of M.G.L. c.55, the campaign finance law. Section 8 states that business and professional corporations may not "directly or indirectly give, pay, expend or contribute...any money or other valuable thing" to promote or oppose any candidate or political party; section 1 defines "contribution" to include any "discount or rebate not available to other candidates for the same office and to the general public". See also Opinion of the Attorney General, November 6, 1980.

The arrangement would, therefore, comply this the campaign finance law if the contracts with the car dealer and insurance company are provided in the normal course of business and use the terms and conditions similar to those normally used for such contracts with other committees or other types of organizations.

Question #5: How should the Committee account for the expenditures and contributions that arise from this fundraiser?

Answer: To account for the contributions received from participants, the Committee should record a \$150 contribution from each participant and a \$100 contribution from each hole sponsor. In

addition, the Committee should record the date contributions were received, the name and residential address of contributors and, if the aggregate contribution received from a contributor is \$200 or more for the calendar year, the contributor's occupation and employer. This information should be reported on a CPF Form D106 Report of Receipts at the time of deposit. See M.G.L. c. 55, §19.

The Committee would be making a \$65.00 expenditure for the course fee for each person participating. Expenditures made to The Meadows or to any vendor for any other purpose associated with the event must be made in accordance with §19, e.g., checks must reflect the specific purpose of all such expenditures.

This opinion has been rendered solely on the basis of the representations set forth in your letter and solely in the context of the campaign finance law.

Please do not hesitate to contact this office should you have additional questions about this or any other campaign finance matter.

Sincerely,

Michael J. Sullivan

Michael J Sullwar

Director

MJS:td Enclosure (AO-01-13)